

## United States Department of the Interior

## **BUREAU OF RECLAMATION**

Lower Colorado Regional Office P.O. Box 61470 Boulder City, NV 89006-1470

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Mr. J. Tyler Carlson Regional Manager Western Area Power Administration Desert Southwest Region PO Box 6457 Phoenix AZ 85005-6457

Subject:

Post 2008 Western Area Power Administration (Western) Marketing

of Parker-Davis Power

Dear Mr. Carlson:

Thank you for the opportunity to comment on Western's post 2008 re-marketing effort for the Parker-Davis Project. As you are aware, power for Reclamation project purposes has a priority over that power marketed under firm electric service contracts. Currently, 40.5 MW of Parker-Davis power is classified as priority use power to serve project loads. Another 16.03 MW is withdrawable as priority use power to serve future project loads, should it be required. Under your re-marketing criteria, the existing contractors should be reminded of the priority use rights and the effects of those rights on their allocation. Additionally new users should be made fully aware of these resource constraints and their potential effects.

Reclamation today is unable to precisely identify the electric requirements of pumping that may be required Post 2008. There are prospective Reclamation plans which, consistent with the Gila Project Act and Yuma Project Act and the other Acts affecting the responsibility of Reclamation under the law, may require additional project pumping. Reclamation provides Western with this information consistent with Exhibit E of the Master Agreement. It is intended that Western clearly advise its customers of the potential Reclamation Parker Davis electric requirement that may exist in the twenty (20) years subsequent to 2008. Reclamation will develop data when it becomes necessary to implement projects requiring withdrawal of Parker-Davis power. In such an event, Reclamation will follow its normal practice of advising Western concerning the appropriate data.

The marketing criteria will extend contractual rights for 20 years. It seems necessary that those receiving firm electric service contractual rights be fully aware of the history of Parker-Davis, the encumbrances and the requirement for withdrawal of resources to meet project purposes. No recent Federal Register history of the Parker-Davis Project has this type of information in the marketing criteria. Reclamation feels that these comments will help the firm electric service customers to understand the nature of the resource. Questions and or comments can be directed to the undersigned or to Mr. Ron Smith at 702-293-8636.

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Sincerely,

Robert W. Johnson Regional Director